REMARKS

Claims 1-47 are currently pending in the application of which claims 1, 2, 34, 38, 39, 40, 41 and 47 are independent. By this amendment, claims 1, 2, 34, 38, 39 and 40 are amended to restore these claims back to their originally filed status in view of a recent precedential ruling by the USPTO Board of Patent Appeals and Interferences ("Board of Appeals") that removed the technological arts test for patentability under 35 U.S.C. §101, including business related patent applications *Ex parte Lundgren*, Appeal No. 2003-2088, heard April 20, 2004 (76 U.S.P.Q.2d 1385, 1388 (BPAI 2005) (expanded panel). In this precedent setting decision, the Board of Appeals reversed USPTO policy which previously required a technological arts test, stating that *"there is no separate and distinct 'technological arts' test..."* for determining patentability under 35 U.S.C. §101. In view of the Board of Appeals policy reversal which guides Examiners in examination of applications, Applicant has amended independent claims 1, 2, 34, 38, 39 and 40 to restore these independent claims to their originally filed language and submits that their status should now be treated as "Original" claims. Furthermore, Applicant submits that the amendments herein to independent claims 1, 2, 34, 38, 39 and 40 are not narrowing amendments and do not give rise to any file history estoppel. No new matter is added. Reconsideration in view of the above amendments and the following remarks is respectfully requested.

35 U.S.C. §102 Rejections

Claims 1-47 were rejected under 35 U.S.C. §102(e) for being anticipated by U.S. Patent Publication No. US 2003/0050884 to Barnett ("Barnett"). This rejection is respectfully traversed.

For anticipation of a claim under 35 U.S.C. § 102, a single prior art reference must contain each and every limitation of the claim, either expressly or under the doctrine of inherency. *Constant v. Advanced Micro-Devices, Inc.*, 848 F.2d 1560, 1570 (Fed. Circ), *cert. denied*, 488 U.S. 892 (1988). To "contain" the limitation the reference must explicitly describe the limitation, or describe an operation inherently requiring the limitation, completely enough to place limitation "in the possession of the public." *In re Epstein*, 32 F.3d 1559, 31 USPQd 1817 (Fed. Cir. 1994). For a reference to inherently have a limitation the reference must describe an apparatus or method which must have the subject limitation to operate in the manner that is described. See *Continental Can Company USA, Inc. v. Monsanto Co.*, 948 F.2d 1264, 20 USPQd 1746 (Fed. Cir. 1991). Applicant submits that the Barnett reference does not contain or describe each and every limitation the subject matter of the claimed invention.

Furthermore, since the Examiner is relying upon provisional application no. 60/191,901 to establish an effective date of the Barnett reference in an attempt to antedate the filing date of the invention, Applicant submits that the Barnett provisional application 60/191,901 is substantially different from the disclosure of the Barnett patent publication and, in fact, does not disclose or suggest the claimed inventions either.

Applicant submits that in order for Barnett to be a proper prior art reference, it is the provisional patent disclosure (no. 60/191,901) that must anticipate the claimed inventions (which it fails to do) and not the Barnett patent publication alone. Nonetheless, Applicant submits that both the Barnett provisional application and the Barnett patent publication fail to anticipate the claimed inventions. A copy of the Barnett provisional application no. 60/191,901is attached herewith for the Examiner's convenience and which is readily available on the USPTO on-line database system.

The invention is generally directed in an embodiment to a method and system of distributing receivables. As set forth by the method of claim 1, receivable (e.g., charged-off consumer receivables, charged-off commercial receivables and/or delinquent consumer receivables) information may be offered by a grantor to a potential grantee along with a purchase option providing the potential grantee the right but not the obligation to purchase the receivable and providing the grantor the obligation to sell the receivable. Further, according to the method of claim 1, an option fee may be offered by the potential grantee to the grantor wherein the acceptance of the option by the grantor provides the potential grantee the right to purchase the receivable at or before the end of an option period. The purchase option may include establishing a notification date before which the potential grantee is required to provide notification to the grantor regarding purchasing the receivable and the option period is a time period that exists between accepting the option fee by the grantor and the notification date.

An embodiment of the invention, as set forth by claim 34 also provides a method for determining the distribution of receivables from a grantor to a grantee. The method of claim 34 comprises the steps of forwarding information regarding desired receivables from a grantee to at least one potential grantor and offering a purchase option to the potential grantor, the purchase option providing the grantee the right but not the obligation to purchase the receivables, the purchase option providing the potential grantor with an obligation to sell the receivables. The method of claim 34 further comprises offering, by the grantee to the potential grantor, an option fee and accepting the option fee by the potential grantor from the grantee, acceptance of the option fee by the potential grantor constituting an acceptance by the potential grantor of the purchase option from the grantee and thereby providing the grantee the right to purchase the receivables at or before the end of an option period wherein the offering a purchase option includes establishing a notification date, the notification date being a date on or before which the grantee is required by the purchase option to provide notification to the potential grantor regarding purchase of the receivables, wherein the option period is a time period that exists between the accepting the option fee by the potential grantor and the notification date.

In another embodiment of the invention, as set forth by claim 38, a method for determining the distribution of receivables from a lessor to a lessee is provided. The method includes the steps of forwarding information regarding at least one receivables from an lessor to at least one potential lessee and offering an lease option to the potential

lessee, the lease option providing the potential lessee the right but not the obligation to lease the receivables, the lease option providing the lessor with an obligation to lease the receivables. The method may also include the steps of offering, by the potential lessee to the lessor, an option fee and accepting the option fee by the lessor from the potential lessee, acceptance of the option fee by the lessee constituting an acceptance by the lessor of the lease option from the potential lessee and thereby providing the potential lessee the right to receive an lease of the receivables at or before the end of an option period. The option may include establishing a notification date, the notification date being a date on or before which the potential lessee is required by the lease option to provide notification to the lessor regarding receiving a lease of the receivables, wherein the option period is a time period that exists between the accepting the option fee by the lessor and the notification date. Similar embodiments are also provided for including an assignor/assignee relationship, as set for the by claim 39, and including a licensor/licensee relationship, as set forth by claim 40.

In another embodiment, as set forth by claim 41, a computer implemented method for determining the distribution of receivables from a grantor to a grantee is provided. The method of claim 41 comprises the steps of obtaining grantor information regarding at least one receivable from a grantor and obtaining grantee information regarding at least one desired receivable from a grantee. The method of claim 41 also includes matching the grantee with the grantor, the matching being based on the grantor information and the grantee information and offering an option to the potential grantee,

the option providing the potential grantee the right but not the obligation to acquire the receivable, the option providing the grantor with an obligation to convey the receivable to the grantee. Further, the method of claim 41 includes offering an option fee from the potential grantee to the grantor and determining acceptance of the option fee by the grantor from the potential grantee, acceptance of the option fee by the grantor constituting an acceptance by the grantor of the option from the potential grantee and thereby providing the potential grantee the right to acquire the receivable at or before the end of an option period wherein the offering an option includes establishing a notification date, the notification date being a date on or before which the potential grantee is required by the option to provide notification to the grantor regarding acquisition of the receivable.

In another embodiment, the invention is generally directed system of distributing receivables, as set forth by the method of claim 47. The system of claim 47 comprises means for forwarding receivable (e.g., charged-off consumer receivables, charged-off commercial receivables and/or delinquent consumer receivables) information electronically by a grantor to a potential grantee and a means for offering a purchase option providing the potential grantee the right but not the obligation to purchase the receivable and providing the grantor the obligation to sell the receivable. Further, the system of claim 47 comprises a means for offering an option fee by the potential grantee to the grantor and a means for accepting the option fee by the grantor from the potential grantee, the acceptance of the option fee constituting an acceptance by the grantor of the

purchase option thereby providing the potential grantee the right to purchase the receivable at or before the end of an option period. The purchase option may include establishing a notification date before which the potential grantee is required to provide notification to the grantor regarding purchasing the receivable and the option period is a time period that exists between accepting the option fee by the grantor and the notification date.

However, the invention of Barnett as defined by the provisional application no. 60/191,901 ("provisional"), and similarly the Barnett patent publication, is generally directed to a virtual "business-to-business" (B2B) market wherein a virtual finance company ("FINCO") provides securitization conduits (provisional, page 7, lines 14-18). A FINCO sponsored by consortium members provides reorganization of selling and buying efforts by virtue of the establishment of this market (provisional, page 7, lines 24 and 25). As shown in Fig. 4 of the provisional, "goods" flow from sellers to consortium members. The consortium members, rather than paying cash, give IOUs to the sellers. The FINCO collects the IOUs and pays cash to the sellers. These IOUs are then packaged and sold to the capital markets (see provisional, page 8, lines 12-29).

Instead of paying cash, a buyer may give a credit to the seller on the books of the FINCO (provisional page 9, lines 8 and 9). The FINCO may also offer the seller various financing options (i.e., choices or alternatives) such as leaving the receivable on account or the FINCO may offer to buy the IOU on different terms for which the FINCO may determine a suitable price (provisional page 9, line 10 to page 10, line 5).

The term "option" employed by the provisional (such as at page 10, lines 13 and 24; page 11, lines 18, 20 and 29; and page 13, lines 7, for example) simply refers to a "choice" or "alternative" that may be made available to a seller (for example) for choosing how to finance a transaction and may involve such choices as cash, notes, or types or mixes of securities in a basket. However, the term "option" as employed by the Barnett provisional never encompasses or suggests the meaning used by the invention which involves a particular type of contract or a commitment which typically involves paying a specific type of fee such as an option fee, for example, to obtain certain rights as described throughout the disclosure. Applicant submits that Barnett fails to disclose of suggest this concept in either the provisional or patent publication.

Specifically, on page 3 of the Office Action , the Examiner states that Barnett discloses at page 1, 6-8; page 3, 31 to page 4, 40 (of the patent publication) various claimed limitations such as "purchase options", an "option fee," and an "option period." However, a close reading of these passages clearly does not support this assertion. Rather, page 1, 6-8 simply discusses acquiring or financing debt, an arrangement in which offers are extended from a business entity to holders of financial obligations, and an arrangement in which offers are extended to purchase financial obligations of members of a defined group of obligator businesses. The passage at page 3, 32 to page 4, 40 simply discloses financing arrangements and securities between sellers and buyers, such as a note [0035] or cash [0038]. Applicant fails to see how this passage discloses anything pertinent to the claimed inventions. Nowhere in this or any other passage in

Barnett, in either the provisional or patent publication, is there any disclosure or suggestion of "options," "option fee," "purchase option," "lease options," "license option" or "assignment options" (for examples) including steps for using these with the meaning as explained throughout the disclosure of the invention and as recited in part by one or more respective independent claims 1, 2, 34, 38, 39, 40, 41 and 47. Barnett is simply not concerned with these concepts in either the provisional or the patent publication.

In reference to claim 47, Applicant submits that independent claim 47 is written, in means-plus-function language such that, in order to reject such a claim, the references must expressly or inherently perform a function identical to that of the means element, and the reference's structure for performing the function must be equivalent to that disclosed in the subject specification. *In re Donaldson Company, Inc.*, 16 F.3d 1189, 29 USPQ2d 1845 (Fed. Cir. 1994). MPEP § 2182. However, the applied Barnett reference does not show or even remotely suggest an identical function, either expressly or inherently, and the structures of the applied references do not perform the equivalent function of the claimed invention. For example, claim 47 requires, in part, the structure to perform the function of:

> *offering a purchase option to the potential grantee, the purchase option providing the potential grantee the right but not the obligation to purchase the receivable, the purchase option providing the grantor with an obligation to sell the receivable;*

> *offering, by the potential grantee to the grantor, an option fee;*
>
> *accepting the option fee by the grantor from the potential grantee, acceptance of the option fee by the grantor constituting an acceptance by the grantor of the purchase option from the potential grantee and thereby providing the potential grantee the right to purchase the receivable at or before the end of an option period wherein the offering a purchase option includes establishing a notification date, the notification date being a date on or before which the potential grantee is required by the purchase option to provide notification to the grantor regarding purchase of the receivable, wherein the option period is a time period that exists between the accepting the option fee by the grantor and the notification date.*

Since Barnett does not disclose an identical function of claim 47, for example at least offering a purchase option (with characteristics such as an option period and notification date, etc.), Applicant submits that the rejection of claim 47 should now be withdrawn.

Accordingly, for at least these reasons, Applicant respectfully requests that the rejection over claims 1-47 be withdrawn and submits that these claims are now allowable.

CONCLUSION

In view of the foregoing amendments and remarks, Applicant submits that all of the claims are patentably distinct from the prior art of record and are in condition for allowance. The Examiner is respectfully requested to pass the above application to issue. The Examiner is invited to contact the undersigned at the telephone number listed below, if needed. Applicant hereby makes a written conditional petition for extension of time, if required. Please charge any deficiencies in fees and credit any overpayment of fees to Attorney's Deposit Account No. 23-1951.

Respectfully submitted,

Charles J. Gross
Registration No. 52,972

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McGuireWoods, LLP
1750 Tysons Boulevard
Suite 1800
McLean, VA 22102
Telephone: (434) 980-2229
Facsimile: (703) 712-5194

\\COM\445967